

WEATHER FORECAST.  
Fair to-day and to-morrow; colder to-morrow.  
Highest temperature yesterday, 52; lowest, 38.  
Detailed weather reports will be found on Editorial page.

# THE NEW YORK HERALD

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## CHIT TELLS TURKS AMERICAN POSITION; U. S. HOLDS BALANCE

While Aiding Britain Will  
Not Support Her Desires  
in Black Sea.

ALLIES IN AGREEMENT

Oppose Turk Fortifications  
in Straits and Reject  
Ban on Warships.

## RUSSIA FEARS ENGLAND

Tehitcherin Says British Pol-  
icy in East Perils Washing-  
ton Naval Treaties.

By LAURENCE HILLS.  
Special Cable to THE NEW YORK HERALD.  
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LAUSANNE, Dec. 5.—The Allies have  
drawn up a reply in general terms to  
the Russian position on the Darda-  
nelles and the Bosphorus, but at a late  
hour to-night it was still uncertain  
whether a meeting would be held to-  
morrow. Meanwhile, emphasizing  
what was stated in these dispatches  
this morning as to the United States  
finding itself occupying a more or less  
decisive role in the combat between  
eastern and western Europe over the  
Dardanelles and Bosphorus, Ismet  
Pasha has a three hours' conference  
with Ambassador Richard W. Child.  
Diplomatic attention was centered  
upon this conference, which went on  
while Great Britain, France and Italy  
were trying to agree on their reply to  
the Russians. Here is the situation  
as it stands to-night.

First—The Allies, although agreeing  
upon the general reply to be made,  
differing on the particular points. For  
the straits being closed to all warships  
and fortified or controlled by Turkey,  
which they will not tolerate even if it  
means war, nevertheless are not in agree-  
ment as to the exact freedom to be allowed  
ships of war. This is a weakness in the  
allied front, the French again revealing  
today some of their old jealousy of  
British naval dominance, and standing  
out for restrictions as to tonnage and  
number of war vessels to be admitted  
through the straits.

Second—The Italians, evidently di-  
rected from Rome by Premier Mussolini,  
have begun to press on Great Britain  
the demand for equal participation in  
the straits policy. They demand partici-  
pation in the Mosul oil fields. These de-  
mands, if accorded, would require a new  
division of the straits, and Italy dis-  
cussed in London and would reduce the  
American share.

Third—The American delegation has  
received explicit instructions from Wash-  
ington to state the American position  
concerning the straits, but only when it  
appears that the plan advanced here for  
a straits regime conflicts with American  
interests. A statement called for from  
Washington will be read by Mr. Child  
immediately after the allied reply is sent  
to the Russians. The American statement  
is understood to be in support of the  
British contention for an absolutely un-  
restricted waterway for warships, which  
would permit control of the straits by  
Great Britain.

Fourth—The Turks are neither for the  
Russian plan, fearing the perpetual men-  
ace of the Russians, nor for the British  
warship plan, which is a constant men-  
ace to Constantinople; and they are  
consequently hoping, as a member of their  
delegation explained to THE NEW YORK  
HERALD correspondent, that they will  
succeed in securing some compromise that  
will avert rupture.

It is this situation that makes the  
interview of Ismet Pasha with Mr. Child  
so important. The American position was  
gone over fully with the Turkish leader,  
as were also Washington's views regard-  
ing minorities and capitulations. The  
point is that the wavering position  
of the Turks on this issue, which can  
mean peace or war for Europe, is more  
or less under the influence of the Amer-  
icans.

Interview With Tehitcherin.  
"British pretensions on the Black Sea  
are absolutely inconsistent with the  
spirit of the Washington treaty, and will  
defeat naval disarmament such as the  
United States proposed, so long as they  
are maintained," George Tehitcherin,  
head of the Russian delegation, told  
THE NEW YORK HERALD correspondent to-  
day.

"The initiative of the American Gov-  
ernment in promoting general naval dis-  
armament was a most promising one,"  
the Soviet Foreign Commissioner con-  
tinued. "Russia would welcome any  
really effective scheme for disarmament  
on the sea, but it is obvious that such  
an agreement leaving Russia out cannot  
bring about effective results."

"The whole policy of Great Britain in  
the Near East is such as to bring about  
the undoubted failure even of the partial  
results obtained in Washington. Great  
Britain has concentrated in the straits to-  
day an enormous fleet, as well as an  
immense amount of aircraft. With such  
a threatening naval and air base di-  
rected against us we shall be compelled  
to launch ourselves upon armaments  
with which to defend our coasts and our  
southern regions."

"The only way of ending the clash of  
conflicting forces in the Near East is a  
system of complete disarmament. Not  
only all warships and aircraft, but also  
the straits are not closed but are the  
strategic base for naval powers there  
with which to defend our coasts and our  
southern regions."

"If our proposal is not adopted at  
Lausanne it will lead inevitably to the  
present troubled state in the Near  
East and cause the failure of all schemes  
for naval disarmament like that of  
Washington. Any general scheme of  
disarmament involving all the naval  
powers has our full support; but the  
British position on the Black Sea is the  
complete antithesis of the Washington  
idea, compelling Russia inevitably to  
arm on the sea and thereby frustrate  
naval disarmament."

## The Reds in the United States SECRET SERVICE BORED INTO COMMUNIST RING AND BALKED ITS PLAN

Government Agents Became Red Officials—Every Sug-  
gestion of 'Mass Action' or 'Armed Insurrection'  
Detected—Arrest of Chicago Millionaire  
Lloyd and Associates a Timely Move—  
Secret Codes and Aliases of Plotters.

THIRD ARTICLE.  
Special Dispatch to THE NEW YORK HERALD.  
CHICAGO, Ill., Dec. 5.  
FEDERAL Government agents, under the aggressive leadership of William J. Burns, head of the Bureau of Investigation of the Department of Justice, have kept close tabs on the leaders of the radical movement in this country. Immediately after the Communist party was broken up or run underground by A. Mitchell Palmer, Attorney-General during the Wilson Administration, the Communists remaining in the United States began to find a way to keep up their activities, but every track they made was found and studied by secret service men under the direction of Mr. Burns.

## Chief Justice of Illinois Warned Americans to Be on Their Guard

The court held, on June 21, 1922, that William Bross Lloyd of Winnetka, Ill., must serve a term of from one to five years in jail and pay a fine of \$2,000 for advocating the overthrow of the United States Government during the period of the operation of the Communist Labor party, one of the organizations that was absorbed by the Communist party and later helped to establish the Workers party of America. Thirteen others formerly associated with Lloyd were convicted, and, with Lloyd, recently began to serve jail terms. They were, however, pardoned after having served only a few days by Gov. Small of Illinois.

In handing down the opinion of the Illinois Supreme Court, Chief Justice Floyd E. Thompson said:

"It is clear that the plan and purposes advocated by the plaintiffs contemplate the overthrow and destruction of the Government of the United States, and all of the sovereign States, not by the free government of the majority of the people through the ballot box, but by organizing the malcontents into militant groups, and at the earliest opportunity ordering a mass strike, and by force and violence compelling the Government to cease to function, and then through a proletarian dictatorship, taking charge of and appropriating all property. The platform and program do not expressly advocate the use of weapons and physical force in accomplishing that end, but they are chargeable with the knowledge that their means and ends cannot be accomplished without force, violence and bloodshed."

"The doctrines advocated are not harmless—they are a menace to the peace and stability of the United States, and they are chargeable with the knowledge that their means and ends cannot be accomplished without force, violence and bloodshed."

Every Radical Move Detected.  
Every move made by the radical organizations and workers was detected by Mr. Burns's field men and women. Advance notices of meetings were turned in from various sources. Local authorities in some of the larger cities broke up meetings. Then rose the cry of "interference with free speech." But, while making noisy protest about alleged illegal activities of law enforcement officers, the radicals were busy scattering their propaganda through papers, pamphlets and other forms of literature.

On May 22, 1922, W. W. Weinstein, of the Local of Greater New York, Workers party, issued this notice to all literature agents of his organization:

"Dear Comrade:  
"The distribution and sale of literature is one of the most important functions of every party unit. Mass meetings and lectures are valuable, but the solid work of educating the masses and agitating work to build up a powerful organization must be done through literature. Meetings can be stopped, but the circulation of literature must no longer be left to a few. Every branch of the Workers party should actively participate in this work."

Three Instructions Given.  
"1. Every branch should organize to give the whole membership a part in the work of spreading information about Communism through the sale and distribution of literature."  
"2. Make the matter of literature the order of business at every meeting. Place an order for a supply of literature with the local bookshop."  
"3. Do not lock it away in the safe or make it the property of the literature agent. Do not give it to one comrade. When books or papers come in give a number to each member to take to the shop or sell among friends and acquaintances. See that your newstands have the literature. Charge your members with the literature and have them make an accounting at the next meeting. When the books have been sold order a new supply and draw more and more members into the work. The profits of the literature you sell will give you a fund for the purchase of leaflets for free distribution."

## ALLIES DEMAND THAT GERMANY DISARM CEASE HER EVASIONS

Ambassadors, in Frankest  
Note Since War, Make  
Five Demands.

CHARGE HIDDEN ARMS

Insist on Delivery of Ma-  
terials and Destruction  
of War Machinery.

PROMISE ONE CONCESSION  
Will Reorganize Commission  
and Exercise Only Nominal  
Rule Over Factories.

By LINCOLN EYRE.  
Special Cable to THE NEW YORK HERALD.  
Copyright, 1922, by THE NEW YORK HERALD.  
New York Herald Bureau,  
Berlin, Dec. 5.  
Germany has received the firmest note since the armistice from the Council of Ambassadors, telling her she must comply with the five disarmament demands provided by the Versailles treaty. The communication implies that the police throughout the country constitute a semi-military force, and that much war material is not yet delivered to the Allies.

The Allied Control Commission admitted that the note had been received by the German Government, but the Berlin press denied its receipt, with the exception of the *Zuehl Uhr Zeitung*, which complains that the news was received from Vienna before it was known in Germany.

Five Demands.  
According to the informant, the Germans replied that they were willing to discuss the withdrawal of the commission, but failed to mention compliance with the allied demands, which include:

Conversion of munitions plants into unquestionable peacetime uses.  
Delivery of war material not yet admitted to exist.  
Submission of documents listing munitions on hand at the time of the armistice.  
Breaking up the police into municipal units, in lieu of a Federal force.

The note follows Germany's ignoring of the allied request for an explanation of the Stettin, Passau and Ingoledstadt attacks by civilians upon control officers inspecting munitions works and stores, and as Germany has refused to discuss fulfillment of earlier demands it is taken as an indication that the Allies are ready to bring the whole disarmament question to a focus.

Americans in touch with the records here insist that the Germans have declared that they will not discuss the disarmament question, but that they are still a national military entity.

Documents Disappear.  
In the matter of munitions, records were cited to THE NEW YORK HERALD correspondent showing that in one instance documents were found on the military establishment at Spandau, whereupon a liaison officer told the allied officer that they were all mixed up and delivered the following day. The allied officer demurred, but agreed, and next day the documents had vanished.

Another official known to be in touch with the situation said that much machinery existed capable of getting back to munitions making inside a day. Furthermore, an American representative half a dozen American buyers of arms, presumably for Balkan countries, said he had been offered by German agents in Berlin \$500,000 worth of old army type, with unlimited ammunition, at \$9.75 each, delivery at Trieste guaranteed.

The attitude of the control commission is that while it is not offering to impose a penalty for failure to deliver arms, the fact that the commission exists is a deterrent to force compliance. Furthermore, an apparently final demand has been made. Some members of the commission believe, however, that the general public is pleased to see the commission as a buffer to prevent the Nationalists starting strike, which might break out if the commission were reduced to a merely nominal form.

## MRS. CLARA PHILLIPS, HAMMER MURDERER, ESCAPES FROM JAIL

Slayer of Mrs. Meadows  
Crawls Through Sawed  
Bars at Night.

GETS AWAY IN MOTOR

Tire Track Trail Causes  
Fear of Vengeance on  
Peggy Caffee.

HUSBAND IS DETAINED  
Airplane Pursues Fugitive, Be-  
lieved Trying to Get  
to Mexico.

By Special Dispatch to THE NEW YORK HERALD.  
LOS ANGELES, Dec. 5.—Mrs. Clara Phillips, under a sentence of ten years to life for killing Mrs. Alberta Meadows with a hammer, escaped from the county jail early this morning and is still at large.

Three bars sawed out of the window of her cell told the story of her escape. She was awaiting completion of plans for her transfer to San Quentin prison. Clara planned to kill Peggy Caffee, a witness to the murder, it is believed, by peculiar tire imprints found near the county jail were found also in front of Peggy's home in Long Beach. Fortunately for Peggy, who was the prosecu-  
tor's chief witness in the trial, the young woman was not in Los Angeles yesterday, and did not return home last night.

Armour Lee Phillips, husband of Mrs. Phillips, was held in technical custody pending further developments to-night, at the county office said.

Mrs. Phillips retired early last night and complained of not feeling well. When the matron called her this morning she did not answer, and soon afterwards the fact of her escape was known. Aided by confederates who worked within twenty-five feet of the room where the jail matron sat reading, Clara was enabled to wriggle through a small opening made by the removal of three steel bars and to go from there to the ground by a perilous route, which included rope ladders and a sheer descent down a drain pipe. Footprints showed she was barefoot.

Believed Headed for Mexico.  
The most commonly accepted theory is that Mrs. Phillips is headed for Mexico via automobile, but there is also the possibility she may have gone by boat from Long Beach. Private speed boats were commandeered to-day and put to sea in an effort to cut off the fugitive.

Shortly after midnight, it is thought, she was outside Long Beach, and the reward of \$5,000 for plotting and scheming. The getaway was one of the most clever and brilliant ever staged by a woman. Phillips, however, is said to have been seen in Los Angeles when they stopped at a suburban drug store while Phillips telephoned. It was also reported that one of the defense witnesses in the trial was seen last night in a large automobile headed toward the county jail.

Defense Witness Questioned.  
Everybody who could have had any connection with the escape, or the trial of it, was questioned by the police if within reach. These included Harry Karst, defense witness, who is said to have declared during Clara's trial that "Mrs. Phillips would never get into a penitentiary." Karst steadfastly maintained that he had nothing to do with the escape.

Clara's cell was in perfect order. A vase containing a bunch of red roses was in its usual place beside her cot, and her clothes hung on the wall. Her night garment, however, lay on the bed as though it had been used during the night, but when it was unwrapped the three steel bars that had been cut away fell to the floor.

No trace of saw filings could be found either in Clara's cell or on the window sill outside and this led to the belief that the bars had been sawed several days ago.

Every woman inmate in the jail denied any knowledge of the plan to escape. Clara walked from the door of the cell, free. Last night Mrs. Clara Phillips went out through the window. "Give me just forty-eight hours," said the Sheriff, "and we will bring her back."

PEARLS FOUND IN FISH.  
Special Dispatch to THE NEW YORK HERALD.  
NEW BEDFORD, Conn., Dec. 5.—William Cushman of Mason's Island while fishing yesterday found a good sized halibut in the Northwest plain States, with Haver-  
mont, registering 16 degrees below zero, is moderating, said the forecast. The thermometer in New York will register about 30 degrees tonight. The average temperature throughout the State will be the same.

PRINCESS MARY AN  
EXPECTANT MOTHER  
Announcement of Much Pub-  
lic Interest Within a Week.

By Special Cable to THE NEW YORK HERALD.  
Copyright, 1922, by THE NEW YORK HERALD.  
New York Herald Bureau,  
London, Dec. 5.  
That Princess Mary, Viscountess Lascelles, is an expectant mother, which has been widely rumored in court circles, was given foundation by the information that "an announcement of great public interest is expected within the next week from Harewood Hall, Yorkshire," where the Princess is staying with her husband.

Princess Mary's friends have hoped she could have been installed in her new home, Godeborough Hall, before the happy event, but alas! she to the old home are not yet completed. It is stated that the Queen will go to Harewood soon to join her daughter.

SCHUMANN-HEINK IMPROVING.  
Since Schumann-Heink had a good day yesterday and last night was resting comfortably, Dr. D. Stoddard Douman, her physician, reported from Garden City. Although there is no recognized crisis in bronchial pneumonia, from which she is suffering, the turning point in the singer's condition is believed to have passed. Attending physicians are hopeful that she will be greatly improved to-day.

Her average temperature yesterday was 101.1-2, with pulse of 110 and respiration 36.

The Annual Winter Resort Number of The New York Herald, published Sunday, December 17, contains advertisements of leading hotels throughout the United States, and is a valuable guide for anyone planning a winter trip.—Advs.

THE BEST IN ITS HISTORY.  
The New York Herald, with all that was best of The Sun intertwined with it, and the whole revitalized, is a bigger and better and sounder newspaper than ever before.

## PRESIDENT ACCEPTS INSURGENT DEFIANCE AND THE BATTLE IS ON

La Follette Group at Once  
Retaliates With a New  
Challenge.

HIT AT CONSTITUTION

Propose to Abolish Electo-  
ral College and Advance  
Congress Opening.

BUTLER NAME SENT BACK  
Confirmation Still to Be Op-  
posed—War on Subsidy—  
Borah a Free Lance.

By LOUIS SEIBOLD.  
Special Dispatch to THE NEW YORK HERALD.  
Washington, D. C., Dec. 5.  
President Harding accepted the challenge to battle with the insurgent groups in Congress in so decisive a manner to-day as to provoke an immediate counter declaration of war.

The Administration and the dis-senting elements at the Capitol apparently have determined to precipitate a test of strength without waiting for the new Congress to convene, further support to the program adopted by the insurgent and radical groups organized by Senator La Follette of Wisconsin.

The developments of the second day's session of the Congress soon to pass out indicate that much fur and oratory will fly back and forth between the White House and the insurgent legislative leaders without further delay. These developments were:

The Plan of Battle.

1. The President made known his positive opposition to the legislation favored by the La Follette conference calling for the revision of the Constitution so as to permit the assembling of a new Congress early in January and abolishing the Electoral College.

2. Coincident with the President's declaration of opposition to these projects, the Senate Agriculture Committee reported favorably the resolution of Senator Norris (Nebr.), its chairman, providing that the terms of President and Vice-President shall commence at noon on the third Monday in January, and the terms of Senators and Representatives shall begin on the first Monday in January following their election.

3. The subcommittee of the Senate Judiciary Committee reported to the full committee the Ashurst resolution to amend the Constitution and give Congress and not the Electoral College the right to count the votes for the President and Vice-President, also providing for two sessions of Congress meeting on the first Monday in January of each year.

4. The President further emphasized his defiance of the insurgent and radical groups by immediately returning to the House the nomination of Pierce Butler for Associate Justice of the United States Supreme Court, on which the special session of Congress ending at noon yesterday failed to act because of the opposition of insurgent and radical Senators, both old and new.

5. Opposition to the ship subsidy bill demanded by the President assumed definite form when a Republican and Democratic combination perfected arrangements for a filibuster against the measure, the first attack being launched by Senator Borah in the form of an amendment to repeal the Panama Canal toll act, and the decision to offer other amendments wholly unacceptable to the Executive Department of the Government.

Fight on Subsidy.  
Out of the confusion produced by these results the one outstanding fact was that a fight to the finish against the ship subsidy bill will be the main objective of the insurgent and radical groups for the present. Plans for the filibuster to prevent the passage by the Senate of the bill which the House enacted in spite of the desires of the President clearly indicate the defeat of that measure under present conditions.

Riders providing for a soldiers' bonus, against which the President has set his face, and the tacking on of the Versailles peace treaty will be offered by Democratic opponents to the ship bill.

The President had not been advised regarding the scope of the insurgent plans for accomplishing the defeat of the subsidy bill when he expressed his opposition to the resolutions introduced by the La Follette conference to do away with the electoral college and move the date for the regular convening of a new Congress from December back to January. How he will meet the situation in which the ship subsidy bill has been mired is a question.

Chairman Lasker of the Shipping Board passed the afternoon at the Capitol conferring with Mr. Lodge, the Senate leader, and Chairman Jones of the Commerce Committee regarding legislative treatment of the measure which he still believes can be passed through the Senate with proper Administration support.

In making known his opposition to